### Office of the Secretary, USDA

within the respective multicounty jurisdictions. State development strategies and priorities shall be fully considered in the Federal administration of Rural Development Act authorities.

### §22.302 Area eligibility.

Eligibility for programs under the Act will be based on the criteria of community size and location of population as specified in the Act. State designations of eligible areas will be duly considered by the Federal government in the determination of eligibility for loan and grant assistance.

## §22.303 Cooperation with Federal Regional Councils.

States are urged to establish and maintain close and cooperative relationships with the Federal Regional Councils which will be in a position to assist the States and multicounty jurisdictions in the identification and application of available resources. States may authorize direct communications and liaison between the Regional Councils and multicounty jurisdictions within States.

# §22.304 Multiyear planning and programming.

State and multicounty jurisdictions are encouraged to adopt multiyear planning and development programs. As administrative procedures for implementing the Act support the feasibility of such a process, these programs should consider joint State, Federal, and local budget planning factors and be refined to conform to the actual fund availability as annual budgets are finalized and allocated. Such programs, once initiated, will be extended by the annual addition of a new planning year until programs are completed or terminated.

## § 22.305 Conformance with OMB Circular No. A-95.

The State and multicounty jurisdictional rural development planning process must conform to the review requirements expressed in OMB Circular No. A-95 under parts I, III, and IV as appropriate.

## § 22.306 Financing rural development planning.

States will be required to finance rural development planning through their own resources, revenue-sharing allocations, or the Department of Housing and Urban Development planning and management assistance program or other available Federal planning programs.

#### §22.307 Program evaluation.

The Department of Agriculture is responsible for continuous program evaluation to determine if individual projects and the entire program is cost effective in terms of reaching rural development goals. As a result, USDA is responsible for conducting and reporting an annual evaluation of selected rural development projects and the overall rural development program. USDA shall include as a part of its evaluation Federal Regional Council assessment of the effectiveness of interagency coordination and delivery of services within the overall rural development program. States and multicounty districts are encouraged to participate in the joint preparation of such program evaluations. Copies of such evaluations should be supplied to the Administrator, Rural Development Service, Department of Agriculture and to the Federal Regional Councils, in sufficient time so as to arrive not later than July 1. The initial evaluation, due July 1, 1974, in addition to the requirements listed below, should include a background statement and should summarize first year program efforts and results. Annual evaluation should:

- (a) Describe the process used in planning, project selection and priority setting, and the criteria and process used in evaluating program effectiveness.
- (b) Describe the specific objectives of the programs.
- (c) Describe and assess the cost and effectiveness of projects being pursued within individual multicounty jurisdictions
- (d) Express observations, conclusions and recommendations based on such evaluations which may contribute to the development of better management, coordination and planning procedures.